



August 2, 2019

Monica Martinez Simmons Seattle City Clerk 600 4th Avenue, 3rd Floor Seattle, WA 98124

Dear Ms. Martinez Simmons,

Acting under my authority in Article IV, Section 12 of the Seattle City Charter, I have vetoed and am returning Council Bill 119551, which amends the law governing the uses of the Sweetened Beverage Tax (SBT) revenue.

I agree that the Sweetened Beverage Tax is regressive and should be used only for the purposes set forth in the adopting ordinance, and to further expand important City investments for our most vulnerable population. Every one of the programs funded in the adopted and endorsed budget met these requirements. Council has now changed its mind and only wants to fund *new* programs. This eliminates \$6.3 million in funding for critical programs without identifying additional revenue or corresponding budget reductions. This \$6.3 million budget deficit is in addition to the \$1.1 million deficit created by Council Bill 119402 and the new \$1.9 million in ongoing funding commitments directed for human services provider wages in Council Bill 119542.

My first priority throughout the debate over Council Bill 119551 has been to protect any potential cuts to the existing low-income programs that are currently funded by the Sweetened Beverage Tax. Council's own Central Staff had warned that "[p]rograms where [Sweetened Beverage Tax] revenues were used to supplant General Fund resources could be reduced or eliminated as a result of this legislation, barring other budget cuts or creation of new revenue sources to backfill the removal of SBT funds." Throughout this entire discussion, Council has never proposed potential new sources of revenue or cuts.

I urge Council to reconsider its vote on this legislation and to work collaboratively with me on a potential solution for the 2020 Budget, as well as the next biennium budget. As Council also knows, its attempt to set budget parameters in this way is inconsistent with budget authority laws and practices.

Jenny A. Durker

Mayor of Seattle